

P.L. 2007-85

AN ACT

to amend the Postal Service Act, 1983 in order to restructure the administration of the Postal Service; and for matters related thereto.

BE IT ENATED BU THE NITIJELA OF THE REPUBLIC OF THE MARSHALL ISLANDS:

Section 1.      **Short Title**

This Act may be cited as the Postal Service (Amendment) Act, 2007.

Section 2.      **Amendments**

(1) Section 102(1) of the Postal Service Act, 1983 is hereby amended to read as follows:

**§102.            Interpretation.**

In this Act:

- (a) “ Postmaster General” means the Postmaster Generals provided for by appointment under Section 108(1) of this Act;
- (b) “letter” includes a postcard, aerogram, air letter or letter card;
- (c) “mail bag” includes any form of container or covering in which postal articles in the course of transmission by post are conveyed, whether or not it contains any such article;
- (d) “Minister” means the Minister appointed by the President to be responsible for functions of the Minister, as specified under this Act;

1 (e) "postal article" includes a letter, packet or parcel, and any other  
2 transmissible by mail, and includes a telegram being carried by mail;

3 (f) "postal authority" includes any duly constituted postal authority by the  
4 Universal Postal Union;

5 (g) "postal officer" includes the Postmaster General and any person employed  
6 in the operation of the Postal Service;

7 (h) "postmaster" means the officer in charge of a post office;

8 (i) "post office" includes:

9 (i) any place where postal articles are received, sorted or delivered;

10 (ii) any place used for postal purposes; and

11 (iii) any official mailbox or other receptacle provided by or with the  
12 approval of the Postmaster General for the reception of postal  
13 articles for transmission by mail:

14 (j) "the President" means the President of the Republic of the Marshall  
15 Islands:

16 (k) "the Authority" means the Marshall Islands Postal Service Authority  
17 established under Section 104 of this Act:

18 (l) "the Fund" means the Marshall Islands Postal Service Authority Fund  
19 established under the Postal Service Fund (Amendment) Act, 2007.

20  
21 **(2)** Section 104 of the Postal Service Act, 1983 is hereby deleted and a new Section  
22 104 is inserted to read as follows:

**§104. Marshall Islands Postal Service Authority**

- (1) The Marshall Islands Postal Services Authority is hereby established.
- (2) The Authority –
  - (a) shall be a body corporate with perpetual succession a common seal;
  - (b) may enter into contracts and may sue or be sued in its own name;
  - (c) may acquire, hold, manage, charge and dispose of real, personal and mixed property;
  - (d) for the purposes of executing its functions, shall have all the powers, duties and responsibilities of a corporation.
- (3) Article VII of the Constitution shall not apply to or in relation to the Authority.

- (3)** Section 105 of the Postal Service Act, 1983 is hereby deleted and a new Section 105 is hereby inserted to read as follows:

**§105. Board of Directors**

- (1) Subject to this Act, and to the articles of incorporation and bylaws adopted by the Authority, the Authority shall be controlled and managed by a Board of Directors.
- (2) The Board may exercise and perform all powers and functions of the Authority under this Act.

1 (3) The Board shall consist of five (05) members. The Chairman and the four  
2 (04) other members of the Board shall be appointed by the Cabinet.

3 (4) The term of office for all Board members, not including the Chairman,  
4 shall be two years. The term of office for the Chairman shall be three  
5 years. The Cabinet may renew the term of office for each member,  
6 including the Chairman, for any number of terms.

7 (5) The Postmaster General appointed under Section 106B(1), shall be a  
8 member ex officio and shall serve as the Secretary of the Board.

9 (6) Upon the expiration of the term of an appointed member, his or her rights  
10 and powers of membership shall lapse and the Postmaster General shall  
11 declare the vacancy and notify the Cabinet in writing of such vacancy.  
12 Vacancies occurring before the expiration of a member's term shall be  
13 filled in the same manner as the original appointment for the remainder of  
14 the term of the vacancy.

15 (7) Notwithstanding Subsection (3), the Cabinet may remove any member  
16 appointed under Subsection (1), and appoint a replacement member.

17  
18 (4) Section 106 of the Postal Service Act, 1983 is hereby deleted and a new Section  
19 106 is hereby inserted to read as follows:

20 **§106. Meetings of the Board**

1 (1) The Board shall meet at such times and places in the Republic as may be  
2 designated by the Chairman, provided that the Board shall meet at least  
3 once every quarter.

4 (2) The quorum for a meeting of the Board shall be three (03) members.

5 (3) The Board shall adopt its own rules of procedure and regulations for  
6 transactions of business and for carrying out the purposes of this Act.

7 (4) The Board may act notwithstanding any vacancy in membership, provided  
8 that there is a quorum in accordance with Subsection (2).

9  
10 (5) A new Section 106A is hereby inserted to read as follows:

11 **§106A. Independence of the Board**

12 The Board is to function as an independent entity. The Cabinet may, in writing,  
13 issue directions to the Board with respect to policy matters, but shall not be  
14 involved with the day-to-day workings of the Board.

15  
16 (6) A new Section 106B is hereby inserted to read as follows:

17 **§106B. Appointment of Postmaster General and Staff**

18 (1) Subject to any direction by the Cabinet, the Authority shall employ a full-  
19 time Postmaster General of Postal Service, who shall possess such  
20 qualifications as may be established by the Authority, and who shall be  
21 responsible for the management and administration of the Authority.

1 (2) The Postmaster General may act for and on behalf of the Authority,  
2 subject to any direction given by the Board.

3 (3) The Authority may employ a Deputy Postmaster General, who shall be  
4 appointed in consultation with the Postmaster General.

5 (4) Except as provided in Subsection (3), the Authority may delegate to the  
6 Postmaster General the power to employ such other employees,  
7 consultants and advisers as he or she may deem necessary. Any person  
8 employed under this Section shall be employed on such terms and  
9 conditions approved by the Board and shall be exempt from Article VII of  
10 the Constitution.

11  
12 (7) A new Section 106C is hereby inserted to read as follows:

13 **§106C. Annual Report**

14 (1) The responsible Minister, through the Cabinet, shall report to the Nitijela  
15 on the Authority's activities and planned programs on an annual basis, and  
16 may provide additional reports and information from time to time.

17  
18 (8) A new Section 106D is hereby inserted to read as follows:

19 **§106D. Functions of the Authority**

20 (1) Unless otherwise provided in this Title, the Authority shall have the  
21 following functions.

- 1 (a) developing and establishing procedures for the provisions of an  
2 effective and efficient postal service for the Republic;
- 3 (b) developing strategic plans for the long term management and  
4 operation of the postal service in the Republic;
- 5 (c) employ and train staff members who will contribute effectively to  
6 the provision of an efficient postal service in the Republic;
- 7 (d) perform such other duties and functions as may necessary to carry  
8 out the purposes and provisions of this Act.
- 9

10 (9) A new Section 106E is hereby inserted to read as follows:

11 **§106E. Compensation**

- 12 (1) Members of the Board shall be compensated at such rate as may be set by  
13 the decision of the Authority when actually on the business of the  
14 Authority.
- 15 (2) All members of the Board shall receive per diem and travel expenses at  
16 established Government rates while on the business of the Authority.
- 17 (3) The Postmaster General shall receive remuneration for his or her services,  
18 the amount of which shall be fixed by the Authority.
- 19

20 (10) A new Section 106F is hereby inserted to read as follows:

21 **§106F. Vesting of real, personal and mixed property**

1 As of the effective date of this Act, all real, personal and mixed property  
2 of the Marshall Islands Postal Service, including without limitation all  
3 monies lying in the Postal Service Fund created under Section 202 of the  
4 Postal Service Act, 1985, vest absolutely in the Authority; and all assets  
5 and liabilities, rights, duties, obligations and all contracts and agreements  
6 of the Republic relating to the Postal Service as of the effective date of this  
7 Act shall stand, and shall be transferred and vested in the Authority.

8  
9 (11) A new Section 106G is hereby inserted to read as follows:

10 **§106G. Funding and authorized investments**

- 11 (1) Revenue of the Authority shall not be treated as revenue of the  
12 Government for the purposes of Article VIII of the Constitution.
- 13 (2) The Authority shall, at the discretion of the Board, invest any of its monies  
14 in excess of the amount necessary for meeting the immediate requirements  
15 of the Authority, to ensure the greatest return commensurate with sound  
16 financial policies.
- 17 (3) Funding for the administration of the Authority shall be provided under  
18 and in accordance with the Postal Service Fund Act, 1985 and may be  
19 expended for the purposes set out under that Act and pursuant to  
20 procedures adopted by the Board.

21  
22 (12) Section 108 of the Postal Service Act, 1983 is hereby amended to read as follows:



**§108. General powers of the Postmaster General**

(1) While a Postal Agreement referred to in Section 142 of this Act is in effect, the powers of the Postmaster General under this Section are subject to:

- (a) the provisions of that Agreement;
- (b) the provisions of any treaty, convention, law, regulation or procedure referred to in Section 142(2) of this Act; and
- (c) any regulation made for the purposes of Section 140(3) of this Act.

(2) Subject to this Act the Postmaster General, in consultation with the Board, may make such arrangements as he or she thinks proper for the operation and development of postal services within the Republic, and in particular may implement the provisions of any convention or agreement of the Universal Postal Union not in conflict with the provisions of this Act or of the regulations made under Section 140 of this Act.

(3) The Postmaster General, subject to the approval of the Board, may establish post offices at such places as he or she thinks proper, and may close any such post office.

(13) Section 110 of the Postal Service Act, 1983 is hereby amended to read as follows:

**§110. Postage stamps.**

(1) The Postmaster General may:

- 1 (a) cause to be issued postage stamps of such kinds and denominations  
2 as he considers necessary for the purposes of this Act;
- 3 (b) declare that any postage stamps issued under Paragraph (a) of this  
4 Subsection shall cease to be valid for the purposes of this Act; and
- 5 (c) from time to time, cause notice of stamps on issue and stamps  
6 invalidated to be published in the Government Gazette and in a  
7 newspaper of general circulation in the Republic.
- 8

9 (14) Section 115 of the Postal Service Act, 1983 is hereby amended to read as follows:

10 **§115. Insurance of postal articles.**

11 The Postmaster General may provide for the insurance of postal articles subject to  
12 such terms and conditions as are prescribed by the regulations made under Section  
13 140 of this Act, and may enter into an agreement with another postal authority for  
14 the reciprocal exchange of insured postal articles.

15

16 (15) Section 116 of the Postal Service Act, 1983 is hereby amended to read as follows:

17 **§116. Provisions for money orders.**

18 (1) Subject to Section 142 of this Act, the regulations made under Section 140  
19 of this Act may provide for the remittance of sums of money through the  
20 postal and telegraphic services.

21 (2) Subject to Section 142 of this Act, the Postmaster General may from time  
22 to time determine at what post office money orders may be issued and  
23 paid.

1  
2 (16) Section 125 of the Postal Service Act, 1983 is hereby amended to read as follows:

3 **§125. Dealing with prohibited articles.**

4 If the Postmaster General or a postmaster has reason to suspect that any postal  
5 article contravenes the preceding provisions of this Part, he may cause it to be  
6 detained and opened, and if it is found to contravene those provisions, he shall  
7 cause it to be destroyed or otherwise deal with it as the Board directs.

8  
9 (17) Section 126 of the Postal Service Act, 1983 is hereby amended to read as follows:

10 **§126. Infringement of exclusive privilege.**

11 (1) In this Section, “the exclusive privilege” means the exclusive privilege  
12 conferred on the Government of the Marshall Islands, acting through the  
13 Postal Service, by Section 107(1) of this Act.

14 (2) Any person who, without the authority of the Postmaster General:

- 15 (a) sends, conveys or delivers otherwise than by mail a letter within  
16 the exclusive privilege;
- 17 (b) performs any service incidental to conveying otherwise than by  
18 mail any letter within the exclusive privilege;
- 19 (c) sends, or tenders or delivers to be sent, otherwise than by mail a  
20 letter within the exclusive privilege;
- 21 (d) makes a collection of letters expected from the exclusive privilege  
22 for the purpose of sending them otherwise than by mail; or

1 (e) carries, receives, tenders, delivers or collects letters in  
2 contravention of Section 107(4) of this Act, shall be guilty of a  
3 misdemeanor and shall upon conviction be liable to a fine not  
4 exceeding \$25 with respect to each such letter.  
5

6 (18) Section 140 of the Postal Service Act, 1983 is hereby amended to read as follows:

7 **§140. Regulations.**

8 (1) Subject to Subsection (3) of this Section, the Authority, in accordance  
9 with the provisions of the Administrative Procedures Act, 1979 may make  
10 regulations, not inconsistent with this Act, prescribing all matters that are  
11 required or permitted by this Act to be prescribed by the regulations, or  
12 that are necessary or convenient to be so prescribed for carrying out or  
13 giving effect to this Act, and in particular in relation to:

- 14 (a) the receipt, dispatch, carriage and delivery of postal articles;  
15 (b) the permissible dimensions and weights of postal articles;  
16 (c) the registration of postal articles;  
17 (d) the franking of official postal articles;  
18 (e) the treatment of undeliverable postal articles;  
19 (f) the conditions under which private mailboxes and private mailbags  
20 may be supplied;  
21 (g) the supply, sale and use of postage stamps; and  
22 (h) the operation of the money order service.

1 (2) The Authority shall, with the approval of the Cabinet and in accordance  
2 with the Administrative Procedures Act, 1979 set fees to be charged for  
3 the carriage of postal articles and for any other service provided under this  
4 Act or the regulations.

5 (3) The regulations may provide for penalties of imprisonment for periods not  
6 exceeding three (3) months, or fines not exceeding \$250, or both, for  
7 contravention of or failures to comply with the regulations.

8 (4) While a Postal Agreement referred to in Section 142 of this Act is in  
9 effect:

10 (a) any regulations made under this Section shall not be inconsistent  
11 with that Agreement or with any treaties, conventions, laws,  
12 regulations and procedures referred to in Section 142(2) of this  
13 Act; and

14 (b) the regulations may provide for the adaptation of the provisions of  
15 this Act to the requirements and circumstances of that Agreement.

16 (5) A certificate given by or on behalf of the United States Postal Service that  
17 a regulation or proposed regulation complies with Subsection (3)(a) or (b)  
18 of this Section is conclusive as to that fact.

19  
20 **Section 3. Effective Date**

21 This Act shall take effect on the date of certification in accordance with the  
22 Constitution and the Rules of Procedures of the Nitijela.

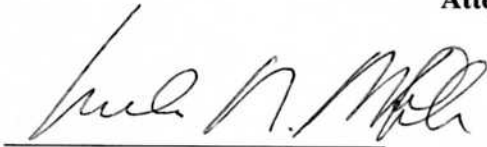
CERTIFICATE

I hereby certify:

- (1) That Nitijela Bill No: 141ND1 was passed by the Nitijela of the Republic of the Marshall Islands on the 4<sup>th</sup> day of April, 2007; and
- (2) That I am satisfied that Nitijela Bill No.: 141ND1 was passed in accordance with the relevant provisions of the Constitution of the Republic of the Marshall Islands and the Rules of Procedures of the Nitijela.

I hereby place my signature before the Clerk this 16<sup>th</sup> day of May, 2007.

Attest:



**Ruben R. Zackhras**  
Vice-Speaker  
Nitijela of the Marshall Islands



**Joe E. Riklon**  
Clerk  
Nitijela of the Marshall Islands

